



PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION
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DA 00-165

Released: January 31, 2000

COMMISSION SEEKS COMMENT ON SUPPLEMENTAL FILING SUBMITTED BY BELL ATLANTIC CORPORATION AND GTE CORPORATION

CC DOCKET NO. 98-184

Petitions/Comments on Internet backbone proposal due: February 15, 2000

Oppositions/Responses on Internet backbone proposal due: February 22, 2000

Petitions/Comments on all other issues due: March 1, 2000

Oppositions/Responses on all other issues due: March 16, 2000

On October 2, 1998, Bell Atlantic Corporation and GTE Corporation (the Applicants) filed joint applications under sections 214 and 310(d) of the Communications Act (the Act), 47 U.S.C. §§ 214 and 310(d), requesting Commission approval of the transfer of control to Bell Atlantic of licenses and authorizations controlled or requested by GTE or its affiliates or subsidiaries.¹ On April 14, 1999, the Applicants requested that the Commission suspend processing of their application pending a further submission following Bell Atlantic's filing with the Commission of its application for section 271 relief in New York.²

¹ The applications for transfer of control of GTE's authorizations and licenses to Bell Atlantic include numerous Title II and Title III authorizations, licenses, certificates, and pending applications. Interested parties should refer to the October 8, 1998 Public Notice relating to the Applicants' initial applications for transfer of control for a non-exhaustive list of the types of authorizations and licenses involved in the proposed transaction. *See GTE Corporation and Bell Atlantic Corporation Seek FCC Consent for a Proposed Transfer of Control and Commission Seeks Comment on Proposed Protective Order filed by GTE and Bell Atlantic*, CC Docket No. 98-184, Public Notice (Oct. 8, 1998) (Oct. 8th Public Notice).

² *See Ex Parte* Letter from Steven G. Bradbury, Counsel for GTE, and Edward D. Young, III, Counsel for Bell Atlantic, to Katherine Brown, FCC, CC Docket No. 98-184 (filed April 14, 1999).

On January 27, 2000, the Applicants submitted a supplemental filing, renewing their request that the Commission grant the pending license transfer applications. In their filing, the Applicants submit that the proposed merger is likely to produce benefits in the markets for Internet and data, long distance, wireless, and local and bundled telecommunications services. The Applicants further submit that the proposed merger will serve the public interest and that that no aspect of the merger will produce significant anticompetitive effects in any telecommunications market.

The Applicants also propose to transfer the Internet backbone and related assets of GTE Internetworking to a corporation (DataCo) that would be owned and controlled by third-party public shareholders and operated independently of the merged Bell Atlantic/GTE entity. Under the proposal, the merged entity would receive a ten percent equity interest in DataCo and rights to convert its equity interest to up to 80 percent, exercisable within five years. The Applicants submit that this proposal complies with section 271 of the Act and will preserve and enhance the merged entity's incentive to complete the section 271 authorization process.

The supplemental filing also includes a set of proposed voluntary merger conditions that the Applicants submit are likely to produce benefits in the markets for local advanced services. The Applicants further submit that the proposed commitments will help to ensure that consumers receive high quality and low cost telecommunications services.

We seek comment on the following issues: (1) the Applicants' proposal to transfer the Internet backbone and related assets of GTE Internetworking to a corporation owned and operated independently of the merged Bell Atlantic/GTE entity; (2) the Applicants' January 27, 2000 supplemental filing, with specific regard to the potential for benefits and harms to various telecommunications markets; and (3) the Applicants' proposed voluntary merger commitments. Interested parties may file comments and/or petitions to deny regarding issue (1) not later than **February 15, 2000**. Responses or oppositions to these comments and petitions may be filed not later than **February 22, 2000**. Interested parties may file comments and/or petitions to deny regarding issues (2) and (3) not later than **March 1, 2000**. Responses and/or oppositions to these comments and petitions may be filed not later than **March 16, 2000**.

Because the comments and/or petitions filed in response to the Oct. 8th Public Notice relating to the Applicants' initial applications for transfer of control are largely stale,³ we will neither revisit nor rely upon those comments and petitions unless they are specifically referenced by interested parties during this comment period. In this regard, interested parties that have previously submitted comments or petitions in this proceeding should make specific reference to any comments or petitions, or portions thereof, on which they intend to rely. Without specific reference to previously-filed comments or petitions, we will not consider any comments filed in response to the Oct. 8th Public Notice.

³ See Oct. 8th Public Notice.

In accordance with Section 1.51(c) of the Commission's Rules, 47 C.F.R. §1.51(c), an original and four copies of all pleadings must be filed with the Commission's Secretary, Magalie Roman Salas, 445 Twelfth Street, S.W., TW-A325, Washington, D.C. 20554. In addition, copies of each pleading must be filed with other offices in the following manner: (1) one copy with International Transcription Service, Inc., the Commission's duplicating contractor, 445 12th Street, S.W., CY-B402, Washington, D.C. 20554, (202) 857-3800; (2) one copy with Janice Myles of the Policy and Program Planning Division, Common Carrier Bureau, 445 Twelfth Street, S.W., Room 5-C327, Washington, D.C. 20554; (3) one copy with Lauren Kravetz, Wireless Telecommunications Bureau, 445 Twelfth Street, S.W., Room 4-A163, Washington, D.C. 20554; (4) one copy with Matthew Vitale, International Bureau, 445 Twelfth Street, S.W., Room 6-A821, Washington, D.C. 20554; and (5) six copies with Julie Patterson, Policy and Program Planning Division, Common Carrier Bureau, 445 12th Street, S.W., Room 5-C134, Washington, D.C. 20554.

In addition to filing paper comments, parties may also file comments using the Commission's Electronic Comment Filing System (ECFS).⁴ Comments filed through the ECFS can be sent as an electronic file via the Internet to <<http://www.fcc.gov/e-file/ecfs.html>>. Generally, only one copy of an electronic submission must be filed. In completing the transmittal screen, commenters should include their full name, Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. For filing instructions for e-mail comments, commenters should send an e-mail to ecfs@fcc.gov and should include the following words in the body of the message: "get form <your e-mail address.>" A sample form and directions will be sent in reply.

Copies of the applications and any subsequently filed documents in this matter may be obtained from International Transcription Service, Inc., 445 12th Street, S.W., CY-B402, Washington, D.C. 20554, (202) 857-3800. Electronic versions of the applications are also available on the FCC's Internet Home Page (<http://www.fcc.gov>) and through the Commission's Electronic Comment Filing System. To the extent that parties file electronic versions of responsive pleadings, such filings also will be available on the FCC's Internet Home Page and through the Commission's Electronic Comment Filing System. Copies of the applications and documents are also available for public inspection and copying during normal reference room hours at the Commission's Reference Center, 445 12th Street, S.W., CY-A257, Washington, D.C. 20554.

Parties are reminded that this proceeding has been designated as "permit but disclose" for purposes of the Commission's *ex parte* rules.⁵ As a "permit but disclose" proceeding, *ex parte* presentations will be governed by the procedures set forth in Section 1.1206 of the Commission's rules that are applicable to non-restricted proceedings.⁶ In this regard, memoranda summarizing

⁴ See Electronic Filing of Documents in Rulemaking Proceedings, 63 Fed. Reg. 24,121 (1998).

⁵ See generally 47 U.S.C. §§ 1.1200-1.1216.

⁶ An *ex parte* presentation is any communication (spoken or written) directed to the merits or outcome of a proceeding made to a Commissioner, a Commissioner's assistant, or other decision-making staff member that, if

the presentation must contain a summary of the substance of the presentation and not merely a listing of the subjects discussed. More than a one or two sentence description of the views and arguments presented is generally required.⁷ Additional rules pertaining to oral and written presentations are set forth in Section 1.1206(b). Interested parties are to file all *ex parte* submissions with the Commission Secretary, Magalie Roman Salas, 445 Twelfth Street, S.W., TW-A325, Washington, D.C. 20554, and file copies of any such submission with (1) Johanna Mikes, Policy and Program Planning Division, Common Carrier Bureau, 445 Twelfth Street, S.W., Room 5-C125, Washington, D.C. 20554; and (2) International Transcription Service, Inc., the Commission's duplicating contractor, 445 12th Street, S.W., CY-B402, Washington, D.C. 20554.

Parties are further reminded of the continuing effectiveness of this proceeding's protective order, which the Common Carrier Bureau adopted on November 18, 1998, and under which counsel to parties to this proceeding are able to obtain access to confidential information provided by the Applicants. Accordingly, only parties that have signed the protective order may have access to the materials subject to the terms and conditions of the protective order.

For further information, contact Julie Patterson, (202) 418-1381, or Johanna Mikes, (202) 418-1535, of the Policy and Program Planning Division, Common Carrier Bureau.

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written, is not served on other parties to the proceeding, or, if oral, is made without an opportunity for all parties to be present. 47 C.F.R. § 1.1201.

⁷ See 47 C.F.R. § 1.1206(b)(2), as revised.